

AMENDED IN ASSEMBLY APRIL 21, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

Assembly Constitutional Amendment

No. 14

Introduced by Assembly Member Steinberg

March 24, 2003

Assembly Constitutional Amendment No. 14—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding Section 16 to Article XI thereof, by amending Section 4 of Article XIII A thereof, by amending Section 2 of Article XIII C thereof, and by amending Section 3 of Article XIII D thereof, relating to local development.

LEGISLATIVE COUNSEL'S DIGEST

ACA 14, as amended, Steinberg. Local government: special taxes: local development.

The California Constitution conditions the imposition of a special tax by a city, county, special district, or local governmental entity, other than certain school entities, upon the approval of $\frac{2}{3}$ of the voters of the city, county, or special district voting on that tax in an election.

This measure would authorize a local government, with the approval of ~~only a majority~~ 55% of its voters voting on the proposition in an election, to impose a special tax that it is otherwise authorized by law to impose, if the tax is imposed exclusively to fund projects for local infrastructure, as provided. This measure would also make conforming or technical, nonsubstantive changes to related provisions.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

1 *Resolved by the Assembly, the Senate concurring,* That the
2 Legislature of the State of California at its 2003–04 Regular
3 Session commencing on the second day of December 2002,
4 two-thirds of the membership of each house concurring, hereby
5 proposes to the people of the State of California that the
6 Constitution of the State be amended as follows:

7 First—That Section 16 is added to Article XI thereof, to read:

8 SEC. 16. (a) A local government may impose, with the
9 approval of ~~a majority~~ 55 percent of the voters voting on the issue
10 in an election, any special tax that it is otherwise authorized by law
11 to impose, if that tax is imposed exclusively for the purpose of
12 funding local infrastructure in accordance with subdivisions (b)
13 and (c).

14 (b) (1) A local government may submit a special tax to its
15 voters pursuant to subdivision (a) only if both of the following
16 have occurred:

17 (A) The local government proposing the tax, in conjunction
18 with a local infrastructure citizen’s advisory committee appointed
19 by the legislative body of that local government, has developed an
20 infrastructure plan.

21 (B) The legislative body of the local government proposing the
22 tax has approved the infrastructure plan.

23 (2) The proposed infrastructure expenditure plan shall include
24 all of the following provisions:

25 (A) A designation of an agency of the local government
26 proposing the tax that will implement, administer, and authorize
27 expenditures under the infrastructure expenditure plan.

28 (B) A requirement that the local infrastructure citizen’s
29 advisory committee be vested with the authority to review the
30 administering local government agency’s compliance with the
31 infrastructure expenditure plan.

32 (C) A requirement that any proposed amendment to the
33 infrastructure expenditure plan be approved in accordance with
34 either or both of the following:

35 (i) A two-thirds vote of the membership of the governing board
36 of the local government imposing the tax.

37 (ii) A majority of the qualified voters of the local government
38 imposing the tax voting on the amendment in an election.

39 (c) (1) Revenues, net of refunds, derived from a tax imposed
40 in accordance with subdivision (a) shall be exclusively allocated

1 for expenditure, as authorized by paragraph (2), for the following
2 local infrastructure purposes:

3 (A) General infrastructure.

4 (B) Conservation of land dedicated to agricultural use,
5 recreational use, or open-space use, and the maintenance and
6 creation of neighborhood parks.

7 (C) Construction, acquisition, and rehabilitation of emergency
8 shelters, and the provision of housing, including rental housing,
9 that will be affordable to persons of lower income households or
10 very low income households for not less than 55 years.

11 (D) Neighborhood improvements.

12 (2) The revenues derived from any tax imposed pursuant to
13 subdivision (a) shall be allocated for expenditure in compliance
14 with the following percentages:

15 (A) (i) Not more than 25 percent for the purposes described in
16 subparagraph (A) of paragraph (1).

17 (ii) *Not more than 5 percent of the allocations authorized in*
18 *clause (i) may be used for the comprehensive revision of a local*
19 *government's general plan.*

20 (B) At least 25 percent for the purposes described in
21 subparagraph (B) of paragraph (1).

22 (C) (i) At least 25 percent for the purposes described in
23 subparagraph (C) of paragraph (1).

24 (ii) *Not more than 30 percent of the allocations authorized in*
25 *clause (i) may be used to provide housing that is affordable to*
26 *persons of moderate income households.*

27 (D) At least 25 percent for the purposes described in
28 subparagraph (D) of paragraph (1).

29 (d) For purposes of this section:

30 (1) "Agricultural use" has the same meaning as that term is
31 defined in subdivision (b) of Section 51201 of the Government
32 Code, or any successor to that subdivision.

33 (2) "Local government" means any county, city, city and
34 county, including a charter city or county, any special district, or
35 any other local or regional governmental entity.

36 (3) "Lower income households" has the same meaning as that
37 term is defined in subdivision (a) of Section 50079.5 of the Health
38 and Safety Code, or any successor to that subdivision.

(4) “Moderate income households” has the same meaning as that term is described in subdivision (b) of Section 50093 of the Health and Safety Code, or any successor to that subdivision.

(5) “Open-space use” has the same meaning as that term is defined in subdivision (o) of Section 51201 of the Government Code, or any successor to that subdivision.

~~(5)~~

(6) “Recreational use” has the same meaning as that term is defined in subdivision (n) of Section 51201 of the Government Code, or any successor to that subdivision.

~~(6)~~

(7) “Special tax” does not include an ad valorem tax on real property or a transactions tax or sales tax on the sale of real property.

~~(7)~~

(8) “Very low income households” has the same meaning as that term is defined in Section 50105 of the Health and Safety Code, or any successor to that subdivision.

Second—That Section 4 of Article XIII A thereof is amended to read:

Section 4. Except as otherwise provided by Section 16 of Article XI, a city, county, or special district, by a two-thirds vote of its voters voting on the proposition in an election, may impose a special tax within that city, county, or special district, except an ad valorem tax on real property or a transactions tax or sales tax on the sale of real property within that city, county, or special district.

Third—That Section 2 of Article XIII C thereof is amended to read:

SEC. 2. Notwithstanding any other provision of this Constitution:

(a) A tax imposed by any local government is either a general tax or a special tax. A special purpose district or agency, including a school district, has no authority to levy a general tax.

(b) A local government may not impose, extend, or increase any general tax unless and until that tax is submitted to the electorate and approved by a majority vote of its voters voting on the proposition in an election. A general tax is not deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved. The election required by this

1 subdivision shall be consolidated with a regularly scheduled
2 general election for members of the governing body of the local
3 government, except in cases of emergency declared by a
4 unanimous vote of the governing body.

5 (c) Any general tax imposed, extended, or increased, without
6 voter approval, by any local government on or after January 1,
7 1995, and prior to the effective date of this article, may continue
8 to be imposed only if that general tax is approved by a majority
9 vote of the voters voting in an election on the issue of the
10 imposition, which election is held no later than November 6, 1998,
11 and in compliance with subdivision (b).

12 (d) Except as otherwise provided by Section 16 of Article XI,
13 a local government may not impose, extend, or increase any
14 special tax unless and until that tax is submitted to the electorate
15 and approved by a two-thirds vote of its voters voting on the
16 proposition in an election. A special tax is not deemed to have been
17 increased if it is imposed at a rate not higher than the maximum rate
18 so approved.

19 Fourth—That Section 3 of Article XIII D thereof is amended to
20 read:

21 SEC. 3. (a) An agency may not assess a tax, assessment, fee,
22 or charge upon any parcel of property or upon any person as an
23 incident of property ownership except:

24 (1) The ad valorem property tax imposed pursuant to Article
25 XIII and Article XIII A.

26 (2) Any special tax receiving, as applicable, a two-thirds vote
27 pursuant to Section 4 of Article XIII A or Section 2 of Article
28 XIII C, a 55-percent vote pursuant to subdivision (c) of Section 1
29 of Article XIII A, or a ~~majority~~ 55-percent vote pursuant to
30 Section 16 of Article XI.

31 (3) Assessments as provided by this article.

32 (4) Fees or charges for property-related services as provided by
33 this article.

34 (b) For purposes of this article, fees for the provision of
35 electrical or gas service are not deemed charges or fees imposed
36 as an incident of property ownership.